elected) to the governing board for purposes of serving as the statutorily required resident board member.

(c) Minimum qualifications for board membership. Any generally applicable qualifications for board membership also apply to residents, unless the application of the requirements would result in the governing board not containing at least one eligible resident as a member. Further, PHAs and localities may not establish eligibility requirements for board membership that are solely applicable to residents.

§ 964.420 Resident board member may be elected.

- (a) *General*. Residents directly assisted by a public housing agency may elect a resident board member if provided for in the public housing agency plan, adopted in accordance with 24 CFR part 903.
- (b) Notice to residents. The public housing agency must provide residents with at least 30 days advance notice for nominations and elections. The notice should include a description of the election procedures, eligibility requirements, and dates of nominations and elections. Any election procedures devised by the public housing agency must facilitate fair elections.

§ 964.425 Small public housing agencies.

- (a) *General.* The requirements of this subpart do not apply to any public housing agency that:
- (1) Has less than 300 public housing units (or has no public housing units):
- (2) Has provided reasonable notice to the resident advisory board of the opportunity for residents to serve on the governing board;
- (3) Has not been notified of the intention of any resident to participate on the governing board within a reasonable time (which shall not be less than 30 days) of the resident advisory board receiving the notice described in paragraph (a)(3) of this section; and
- (4) Repeats the requirements of paragraphs (a)(2) and (a)(3) of this section at least once every year.
- (b) Public housing agencies that only administer Section 8 assistance. A public housing agency that has no public housing units, but administers Section

- 8 tenant-based assistance, is eligible for the exception described in paragraph (a) of this section, regardless of the number of Section 8 vouchers it administers.
- (c) Failure to meet requirements for exception. A public housing agency that is otherwise eligible for the exception described in paragraphs (a) and (b) of this section, but does not meet the three conditions described in paragraphs (a)(2) through (a)(4) of this section, must comply with the requirements of this subpart.

§964.430 Nondiscrimination.

- (a) *Membership status.*—(1) *General.* A resident board member is a full member of the governing board.
- (2) Resident participation must include matters regarding Federal public housing and Section 8 tenant-based assistance. A resident board member must be allowed to take part in decisions related to the administration, operation, and management of Federal public housing programs and Section 8 tenant-based rental assistance programs. This rule does not extend to matters that:
- (i) Exclusively relate to other types of housing assistance (such as State financed housing assistance); or
- (ii) Do not involve housing assistance (as may occur where the city or county governing body also serves as the PHA board).
- (3) Public housing agency may expand scope of resident participation. A public housing agency may choose to expand the scope of resident member involvement to matters not required under paragraph (a) (2) of this section.
- (b) Residence status. A governing board may not prohibit any person from serving on the governing board because that person is a resident of a public housing project or is assisted under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
- (c) Conflict of interest. A governing board may not exclude any resident board member from participating in any matter before the governing board on the grounds that the resident board member's lease with the public housing agency, or the resident board member's status as a public housing resident or recipient of Section 8 tenant-based assistance, either results or may result

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in a conflict of interest, unless the matter is clearly applicable to the resident board member only in a personal capacity and applies uniquely to that member and not generally to residents or to a subcategory of residents.

PART 965—PHA-OWNED OR LEASED PROJECTS—GENERAL PROVISIONS

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AUTHORITY: 42 U.S.C. 1437, 1437a, 1437d, 1437g, and 3535(d). Subpart H is also issued under 42 U.S.C. 4821-4846.

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Subpart A—Preemption of State Prevailing Wage Requirements

§ 965.101 Preemption of State prevailing wage requirements.

- (a) A prevailing wage rate including basic hourly rate and any fringe benefits) determined under State law shall be inapplicable to a contract or PHA-performed work item for the development, maintenance, and modernization of a project whenever:
- (1) The contract or work item: (i) Is otherwise subject to State law requiring the payment of wage rates determined by a State or local government or agency to be prevailing and (ii) is assisted with funds for low-income public housing under the U.S. Housing Act of 1937, as amended; and
- (2) The wage rate determined under State law to be prevailing with respect to an employee in any trade or position employed in the development, maintenance, and modernization of a project exceeds whichever of the following Federal wage rates is applicable:
- (i) The wage rate determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a et seq.) to be prevailing in the locality with respect to such trade;